



0000075858

Short-Form Income Tax Return

OMB No. 1545-0890

2006

Form 112

Department of the
Internal Revenue Serviceg....., 2006, ending....., 20.....
sure the corporation qualifies to file Form 1120-A.

RECEIVED

A Check this box if the
corporation is a
personal services
corporation (see
instructions). ☐Use IRS
label.
Otherwise,
print or
type.

Name

American Realty & Mortgage Co. Inc.

Number, street, and room or suite no. If a P.O. box, see instructions.

P.O. Box 232

City or town, state, and ZIP code

W. H. Mann, AZ 85361

B Employer identification number

860348062

C Date incorporated

1983

D Total assets (see instructions)

AZ CORP COMMISSION

E Check if: (1) ☒ Final return (2) ☐ Name change (3) ☐ Address changeF Check accounting method: (1) ☒ Cash (2) ☐ Accrual (3) ☐ Other (specify) ▶

		1c
Income	1a Gross receipts or sales	1076000
	2 Cost of goods sold (see instructions)	
	3 Gross profit. Subtract line 2 from line 1c	
	4 Domestic corporation dividends subject to the 70% deduction	
	5 Interest	
	6 Gross rents	
	7 Gross royalties	
	8 Capital gain net income (attach Schedule D (Form 1120))	
	9 Net gain or (loss) from Form 4797, Part II, line 17 (attach Form 4797)	
	10 Other income (see instructions—attach schedule)	
	11 Total income. Add lines 3 through 10	1076000
Deductions (See instructions for limitations on deductions.)	12 Compensation of officers (see instructions)	
	13 Salaries and wages (less employment credits)	
	14 Repairs and maintenance	404800
	15 Bad debts	
	16 Rents	
	17 Taxes and licenses	26900
	18 Interest	3053800
	19 Charitable contributions	
	20 Depreciation from Form 4562 not claimed elsewhere on return (attach Form 4562)	
	21 Domestic production activities deduction (attach Form 8903)	
	22 Other deductions (attach schedule)	5249700
	23 Total deductions. Add lines 12 through 22	6335200
	24 Taxable income before net operating loss deduction and special deductions. Subtract line 23 from line 11	
	25 Less: a Net operating loss deduction (see instructions)	25a
b Special deductions (see instructions)	25b	
25c	45259200	
Tax and Payments	26 Taxable income. Subtract line 25c from line 24	
	27 Total tax (page 2, Part I, line 5)	
	28a 2005 overpayment credited to 2006	28a
	b 2006 estimated tax payments	28b
	c 2006 refund applied for on Form 4466	28c () Bal ▶ 28d
	e Tax deposited with Form 7004	28e
	f Credits: (1) Form 2439 (2) Form 4136	28f
	g Credit for federal telephone excise tax (attach Form 8913)	28g
	h Total payments. Add lines 28d through 28g	28h
	29 Estimated tax penalty (see instructions). Check if Form 2220 is attached. <input type="checkbox"/>	29
30 Amount owed. If line 28h is smaller than the total of lines 27 and 29, enter amount owed	30	
31 Overpayment. If line 28h is larger than the total of lines 27 and 29, enter amount overpaid	31	
32 Enter amount from line 31 you want: Credited to 2007 estimated tax ▶ Refunded ▶	32	

Sign
Here

Under penalties of perjury, I declare that I have examined this return, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Joseph W. Lee

Date

8/13/07

Title

Joe Lee

May the IRS discuss this return
with the preparer shown below
(see instructions)? ☐ Yes ☒ NoPaid
Preparer's
Use OnlyPreparer's
signature

Joseph W. Lee

Date

8/13/07

Check if
self-employed ☐

Preparer's SSN or PTIN

527-88-8935

Firm's name (or
yours if self-employed),
address, and ZIP code

American Realty & Mortgage Co. Inc.

EIN

Phone no. ()

Part I Tax Computation (see instructions)

1	Income tax. If the corporation is a qualified personal service corporation (see instructions), check here <input type="checkbox"/>	1		
2	General business credit. Check box(es) and indicate which forms are attached: <input type="checkbox"/> Form 3800 <input type="checkbox"/> Form(s) (specify) ▶	2		
3	Subtract line 2 from line 1	3		
4	Other taxes. Check if from: <input type="checkbox"/> Form 4255 <input type="checkbox"/> Form 8611 <input type="checkbox"/> Form 8697 <input type="checkbox"/> Form 8866 <input type="checkbox"/> Form 8902 <input type="checkbox"/> Other (attach schedule)	4		
5	Total tax. Add lines 3 and 4. Enter here and on page 1, line 27	5		

Part II Other Information (see instructions)

1	See instructions and enter the: a Business activity code no. ▶ b Business activity ▶ c Product or service ▶	5a	If an amount is entered on page 1, line 2, enter from worksheet in instructions: (1) Purchases (2) Additional 263A costs (attach schedule) (3) Other costs (attach schedule)		
2	At the end of the tax year, did any individual, partnership, estate, or trust own, directly or indirectly, 50% or more of the corporation's voting stock? (For rules of attribution, see section 267(c).) <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," attach a schedule showing name and identifying number.	b	If property is produced or acquired for resale, do the rules of section 263A apply to the corporation? <input type="checkbox"/> Yes <input type="checkbox"/> No		
3	Enter the amount of tax-exempt interest received or accrued during the tax year. ▶ \$	6	At any time during the calendar year, did the corporation have an interest in or a signature or other authority over a financial account (such as a bank account, securities account, or other financial account) in a foreign country? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," the corporation may have to file Form TD F 90-22.1. If "Yes," enter the name of the foreign country ▶		
4	Enter total amount of cash distributions and the book value of property distributions (other than cash) made during the tax year. ▶ \$	7	Are the corporation's total receipts (line 1a plus lines 4 through 10 on page 1) for the tax year and its total assets at the end of the tax year less than \$250,000? <input type="checkbox"/> Yes <input type="checkbox"/> No If "Yes," the corporation is not required to complete Parts III and IV below.		

Part III Balance Sheets per Books

		(a) Beginning of tax year	(b) End of tax year
Assets	1 Cash		
	2a Trade notes and accounts receivable		
	b Less allowance for bad debts	()	()
	3 Inventories		
	4 U.S. government obligations		
	5 Tax-exempt securities (see instructions)		
	6 Other current assets (attach schedule)		
	7 Loans to shareholders		
	8 Mortgage and real estate loans		
	9a Depreciable, depletable, and intangible assets		
	b Less accumulated depreciation, depletion, and amortization	()	()
	10 Land (net of any amortization)		
11 Other assets (attach schedule)			
12 Total assets			
Liabilities and Shareholders' Equity	13 Accounts payable		
	14 Other current liabilities (attach schedule)		
	15 Loans from shareholders		
	16 Mortgages, notes, bonds payable		
	17 Other liabilities (attach schedule)		
	18 Capital stock (preferred and common stock)		
	19 Additional paid-in capital		
	20 Retained earnings		
	21 Adjustments to shareholders' equity (attach schedule)		
	22 Less cost of treasury stock	()	()
	23 Total liabilities and shareholders' equity		

Part IV Reconciliation of Income (Loss) per Books With Income per Return

1	Net income (loss) per books		6	Income recorded on books this year not included on this return (itemize):	
2	Federal income tax per books		7	Deductions on this return not charged against book income this year (itemize):	
3	Excess of capital losses over capital gains		8	Income (page 1, line 24). Enter the sum of lines 1 through 5 less the sum of lines 6 and 7	
4	Income subject to tax not recorded on books this year (itemize):				
5	Expenses recorded on books this year not deducted on this return (itemize):				